

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 5, 2017

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1571 by Paddie (Relating to energy savings performance contracts.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would modify provisions related to energy savings performance contracts (ESPCs), including amending the definition of ESPCs for school districts, institutions of higher education and state agencies to the meaning assigned in Section 302.001 of the Local Government Code. The bill would amend the Local Government Code to include in the definition of energy savings the anticipated equipment replacement and repair costs. The bill would authorize applicable entities to use any available money to pay the provider of an energy or water conservation measure, as opposed to current law which requires payment to be made solely from project savings realized under the ESPC. No fiscal impact is anticipated by Texas Education Agency and the Comptroller of Public Accounts. No significant fiscal impact is anticipated by Texas A&M University System Administration.

Local Government Impact

According to Texas Education Agency, minimal impact is anticipated as the proposed bill allows school districts to use additional sources of funds pay for eligible projects. According to the Brazoria and Harrison County Auditors, the bill would have no significant impact on them. The Cities of Marshall and Longview indicated that the bill would have no fiscal impact.

Source Agencies: 304 Comptroller of Public Accounts, 701 Texas Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 783 University of Houston System Administration

LBB Staff: UP, CL, MMe, PM, SZ, DRE